ORIGINAL

Law Offices

FENNEMORE CRAIG

A PROFESSIONAL CORPORATION

Arizona Corporation Commission

DOCKETED

OCT 2 3 2003

DOCKETED BY

October 23, 2003

2003 OCT 23 P 4: 49

OFFICES IN: AZ SORRECHE PHOENIX, TUCSON, DOCUMENTO CHEST AZ: LINCOLN, NE

3003 NORTH CENTRAL AVENUE **SUITE 2600** PHOENIX, ARIZONA 85012-2913 PHONE: (602) 916-5000

FAX: (602) 916-5999

Teena Wolfe Administrative Law Judge Hearing Division Arizona Corporation Commission 1200 West Washington Phoenix, Arizona 85007

E-00000A-02-0051 E-01345A-01-0822 E-00000A-01-0630 E-01933A-02-0069

Re:

Response to AEPCO's Comments on the Staff Supplemental Filing Dated September 29, 2003; In the Matter of the Generic Proceeding Concerning the Arizona Independent Scheduling Administrator; Docket No. E-00000A-01-0630

Dear Ms. Wolfe:

C. WEBB CROCKETT

Direct Phone: (602) 916-5333 Direct Fax: (602) 916-5533 wcrocket@fclaw.com

This letter is written in response to the letter of Mr. Michael M. Grant concerning AEPCO's comments as to its view of the costs that would be involved in re-forming the AISA in the future, and to make a second submission of the matter to FERC for its approval.

Mr. Grant's letter ignores the fact that the first time the AISA protocols were approved by FERC, the AISA's filing was opposed by certain parties who are not participants in the current Arizona Corporation Commission proceeding. If the AISA were terminated today and approval for new or reinstated protocols were later sought from FERC, it is logical to conclude that those same opponents who initially opposed the approval of the protocols would, again, show up and take advantage of another opportunity to oppose the (re)formation of the AISA. Resisting that opposition would involve considerable time, effort, and money. No assurances by AEPCO in this proceeding can waive those other parties' rights at

FENNEMORE CRAIG

Teena Wolfe October 23, 2003 Page 2

FERC or impact their legal strategies or minimize the cost of overcoming the objection to FERC approving the AISA protocols.

Very truly yours

C. Webb Crockett

CWC/mb

ORIGINAL and 21 COPIES of the foregoing **FILED** this October 23, 2003, with

Docket Control Arizona Corporation Commission 1200 West Washington Street Phoenix, Arizona 85007

COPY OF THE FOREGOING Hand-delivered this October 23, 2003, to:

Marc Spitzer Chairman ARIZONA CORPORATION COMMISSION 1200 West Washington Phoenix, Arizona 85007

William A. Mundell Commissioner ARIZONA CORPORATION COMMISSION 1200 West Washington Phoenix, Arizona 85007

FENNEMORE CRAIG

Teena Wolfe October 23, 2003 Page 3

Jeff Hatch-Miller Commissioner ARIZONA CORPORATION COMMISSION 1200 West Washington Phoenix, Arizona 85007

Mike Gleason Commissioner ARIZONA CORPORATION COMMISSION 1200 West Washington Phoenix, Arizona 85007

Kristin K. Mayes Commissioner ARIZONA CORPORATION COMMISSION 1200 West Washington Phoenix, Arizona 85007

Teena Wolfe
Administrative Law Judge
ARIZONA CORPORATION COMMISSION
1200 W. Washington Street
Phoenix, Arizona 85007

Christopher Kempley, Chief Counsel ARIZONA CORPORATION COMMISSION 1200 W. Washington Street Phoenix, Arizona 85007

Ernest G. Johnson Utilities Division ARIZONA CORPORATION COMMISSION 1200 West Washington Street Phoenix, Arizona 85007

COPY of this letter **MAILED** to all parties of record.

1473390.1/23040.041